

One nation under corn?

Government



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A position paper done in fall of 2012 on the cause and affect of the industrialized corn crop. I decided on this subject after my own battle with illness. This battle, ended up changing my diet, and my life as it turns out. I have almost completely removed any corn derived product from my life (all-be-it difficult sometimes) and am a proponent of a purely organic vegetarian diet. One Nation Under Corn? Chad Cribb DeVry University One Nation Under Corn One of the many freedoms we enjoy in this great country is the freedom to choose what you will eat and when you will eat it.

Pull up to your favorite fast food burger restaurant, and little thought goes into the entire process. From the drive there, to the ordering of your food, and the packaging they are contained in. When we think more about it, as Michael Pollan did in his book, “ The Omnivore’s Dilemma”, there is a whole lot more going on. Pollan dives deep into the heart of our nation’s fascination with the corn crop and its many uses. Corn started out as a crop grown to feed its people. But in this day and age, very little is actually eaten. Corn has become a giant in the food industry, at a low price; thanks in part to the government help.

We started this nation as one based in principle and in the pursuit of freedom.... and now it seems... corn. But who is the real beneficiary of this corn crop? And just as important...who are the losers? Corn has been around since recorded history and has played a major role in trade and many complex social societies. Corn’s spread across the globe began after contact between the European colonial powers and indigenous peoples of North and South America. It continued on to Africa during the slave trades and was

used to actually pay for them. What's more, it was a source of power for the African middlemen involved in the slave trade.

Fast forward now to the 1940's and 1950's as corn and corn based foods became crucial in the agriculture market to sustain military troops during the war. It was after the war that America saw a huge surplus in corn yield partly due to the new hybrid seeds and fertilizers that had recently been manufactured. This surplus had a dramatic effect on the market and the market prices. It was these prices, over the years that caused unpredictable price swings (Wise 2005-9). As our population has increasingly grown thru the years, our need for more food has increased along with it.

The polarity between the two was unbalanced and by using the free market approach, farmers regularly had booms and busts in the market. Making farmers the target of continued and increasing depressed prices in their crop. The government soon stepped in with " The New Deal", in order to bring supply into line with demand, an approach known as " supply management" using conservation set-asides, a price floor guaranteeing a fair price (like having a minimum wage), and a grain reserve to deal with overproduction. What was not widely known, it appears, is the corporate-world began lobbying for a free market approach again.

Beginning in the 1970's, they used the World Food Crisis and the Russian Wheat Deal to validate their argument to government. Coupling that with the notion of " getting government out of agriculture". The result of that was that prices collapsed by the late 1990's and the government had to bail out farmers with millions in emergency subsidy payments. Prices completely collapsed shortly after the 1996 Freedom to Farm Act, causing expensive

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taxpayer bailouts. By 2000, subsidies provided 49% of farmers' net income. This has helped the corn industry to comprise 95% of all food grain produced in America (USDA 2010).

The government's well-intended approach to help "prop up" the industry, in fact, created a market dependent on the very subsidies that were created to help it. Between 1995 and 2006, the government paid out \$56 billion in corn subsidies (Wise 2005-12). What's more, it helps create a market monopoly. With only 3 companies controlling 90% of the corn market, 2 companies controlling the corn seed market, and 4 companies controlling the high fructose corn syrup industry, the answer should be clear. But as Pollan points out, "It's not about who is profiting, but rather who is suffering" (Pollan 2006).

Most of what we see in the news is the emphasis placed in the trials and tribulations of the farmer, for the benefit of the consumer. But is it really the consumer who benefits? If the price of food per calorie is the magic calculation, then the answer is yes. But if the average weight per person is, then the answer is no. As the corn industry exploded and the number of companies shrank, corn began a new transformation into other parts of the food industry and more. This came in the form of high fructose corn syrup (HFCS), gasoline additives, plastics, and cattle feed to name a few.

Cattle feed now encompasses over 50% of the industrialized corn produced in America (Wise 2005-11). The increase of this has helped create the perpetual cycle that has infested the industry, and moreover, the agricultural policy that affects it. The overproduction of corn has led to an overconsumption of corn; mostly in an indirect way. America's agriculture

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and international trade policies have created an environment that breeds monopolies and corruption. Big business lobbyist has taken hold in an industry that believes in the “bottom line”.

This philosophy has squeezed out the once popular sugar cane, and ushered in the cheaper, easily produced, HFCS for its products. Because the government has placed so many incentives on the production of corn, other more healthy crops have been left behind. Crops like fruits, vegetables, and whole grains have quickly become a thing of the past. The relationship between government and business has become as unhealthy as the population consuming the products they produce. At one point, it almost looks like the industry wanted the market to crash and the government to step in.

One would ask why anyone would want that. Because subsidizing the industrial crop ensures it stays at a cheap price for one. Secondly, the corporations who buy corn to turn into high fructose corn syrup (used in almost every food product) or as feed for livestock, or ethanol for vehicles operations have profited by the billions. Thirdly, the corporate consolidation of our food system as whole. When you think about it, it reaches thru banks, seeds, fertilizers, grain traders, food processors, manufacturing plant, to retailing. Walsh says, “This kind of uncompetitive market squeezes the farmer on both sides” (Walsh-2009). This notion seems to place a lot of blame on the subsidies themselves. My contention is that subsidies are not the problem with our food system, but merely a product of a broken system. To fix the farm policy, legislators must first have a clear understanding of who wins and who loses under the current system and why. Also, the high

tariffs placed on sugar cane need to be downsized to allow for balance in the market. But this is a prime example of how the government's intention to help has unintentional consequences.

I believe that the root of our problem today is the "clinging" to a free market food system. One that allows commodities like corn to be priced so low that would allow big business to develop monopolies over farmers and corn while reaping huge profits because of cheap corn. America now spends less of our income on food than any other generation in history (Pollan-2002). When you look at it in perspective, the agriculture our grandparents helped build was now growing fast food. This affecting our wallets, farmlands, and waistline.

Some may say that our waistline and rate of disease are due to laziness and other factors. I disagree. I believe they are a direct relation to cheap, processed food made by cheap, industrialized corn. In order for us to decrease the consumption of corn, the government needs to cease its subsidizing of it. This will do two things. One, it let the markets adjust themselves at a rate that creates dependence on itself rather than assistance. Two, tighten the ability of lobbyist to affect change in agriculture and government policy that increase benefits to the very few.

The bottom line here is this; big business reaps profits at the expense of the farmer. And the consumer? Well.... we are just scenery it seems in this great manipulation of industrialized food industry. And as I see it; in an economy where every dollar counts, doesn't it make sense for the government to hang onto theirs? Pollan, Michael. *The Omnivore's Dilemma. "A Natural History of Four Meals"*. April 2006 This well-known book has been called an "eater's manifesto" by critics and peers alike. Pollan, Michael. *What's America*
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Time Magazine. August 21, 2009. <http://www.time.com/time/magazine/article/0,9171,1917726-2,00.html> Walsh is a senior writer for Time Magazine and a correspondent for the last 8 years Health Journalism Fellowship from the Center for Disease Control Foundation. As part of this fellowship, he attended training at the U. S. Centers for Disease Control during summer 2010. Wise, Timothy. Identifying the Real Winners from US Agricultural Policies. Tufts University. December 2005. Retrieved October 1, 2012. <http://www.ase.tufts.edu/gdae/Pubs/wp/05-07RealWinnersUSAg.pdf>